

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 230264

63

ORIGIN EB-06

INFO OCT-01 CIAE-00 CU-02 INR-05 IO-04 NSAE-00 RSC-01

USIA-06 ISO-00 L-01 OMB-01 TRSE-00 COME-00 LOC-01

OIC-01 PA-01 PRS-01 AF-04 ARA-06 EA-06 EUR-08 NEA-06

/061 R

DRAFTED BY EB/CBA/BP:DVLABRIE:JS

APPROVED BY EB/CBA/BP:HJWINTER

COPYRIGHT OFFICE - DSCHRADER

L/EB - SBOND

L/T - MMCQUADE

TREASURY - MFIELD

EB/IFD/OMA - TMINNIES

IO/UNESCO - BO'BRIEN

----- 043978

P 182317Z OCT 74

FM SECSTATE WASHDC

TO AMEMBASSY PARIS PRIORITY

LIMITED OFFICIAL USE STATE 230264

NESCO

E.O. 11652:N/A

TAGS: EIND, OCON

SUBJECT: U.S. POSITION ON AGENDA ITEM 6.1 FOR 18TH UNESCO

GENERAL CONFERENCE - OCTOBER 17-NOVEMBER 22, 1974

PLEASE PASS TO U.S. DELEGATION BY 9:00 A.M., OCTOBER 21.

-- U.S. POSITION ON AGENDA ITEM 6.1: INTERNATIONAL
STANDARDS IN COPYRIGHT-INTERNATIONAL AGREEMENT ON DOUBLE
TAXATION IS AS FOLLOWS:

BACKGROUND

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 230264

THE POSSIBILITY OF AN INTERNATIONAL AGREEMENT TO BENEFIT AUTHORS THROUGH AVOIDANCE OF DOUBLE-TAXATION OF COPYRIGHT ROYALTIES WAS PROPOSED IN 1969 AS PART OF THE DISCUSSIONS OF THE INTERNATIONAL COPYRIGHT JOINT STUDY GROUP, WHOSE RECOMMENDATIONS RESULTED IN THE 1971 REVISIONS OF THE BERNE CONVENTION AND THE UNIVERSAL COPYRIGHT CONVENTION. THE UNESCO INTERNATIONAL COPYRIGHT INFORMATION CENTER, ANOTHER RECOMMENDATION OF THE 1969 JOINT STUDY GROUP, HAS NOW REVIVED THE DOUBLE-TAXATION PROPOSAL, AND, ON THE BASIS OF ITS RECOMMENDATION, THE UNESCO GENERAL CONFERENCE WILL CONSIDER A PROPOSAL TO ALLOCATE FUNDS FOR A COMMITTEE OF EXPERTS MEETING IN 1975 TO DRAFT A MULTI-LATERAL CONVENTION DEALING WITH THE PROBLEM OF DOUBLE-TAXATION OF COPYRIGHT ROYALTIES.

POSITION

USDEL MAY SUPPORT A PROPOSAL TO ALLOCATE FUNDS FOR CONVENING AN INTERNATIONAL COMMITTEE OF EXPERTS FOR THE PURPOSE OF PREPARING A DRAFT MULTI-LATERAL CONVENTION TO AVOID DOUBLE-TAXATION OF COPYRIGHT ROYALTIES.

COMMENT

DOUBLE-TAXATION OF COPYRIGHT ROYALTIES IS UNDESIRABLE SINCE IT PLACES UNNECESSARY BURDENS ON AUTHORS AND MAY HAMPER FREE FLOW OF COPYRIGHTED MATERIALS ACROSS NATIONAL BORDERS. HOWEVER, SOME COUNTRIES LIKE THE UNITED STATES GIVE A FOREIGN TAX CREDIT WHICH PROTECTS AUTHORS OF THOSE COUNTRIES FROM DOUBLE TAXATION. SOME OTHER COUNTRIES EXEMPT FOREIGN INCOME FROM TAX. THE UNITED STATES HAS ENTERED INTO A NUMBER OF BILATERAL TREATIES DEALING WITH

DOUBLE-TAXATION, AND THE MOST RECENT BILATERAL TREATIES EXEMPT COPYRIGHT ROYALTIES FROM DOUBLE-TAXATION. A MULTI-LATERAL CONVENTION MAY INVOLVE SOME TECHNICAL DIFFICULTIES AND RAISES CONCERN ABOUT POSSIBLE TAX AVOIDANCE. FOR EXAMPLE, IF A CONVENTION PROVIDED EXEMPTIONS FROM TAX IN THE SOURCE COUNTRY THERE WOULD BE AN INCENTIVE TO ARRANGE TO RECEIVE ROYALTIES IN A COUNTRY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 230264

WHICH ALSO EXEMPTS THEM (E.G., BAHAMAS AND IRELAND). WE ALSO DOUBT THAT THE BENEFITS OF AN EXEMPTION SHOULD GO TO A FOREIGN CORPORATION OWNING A COPYRIGHT. PERHAPS THESE PROBLEMS COULD BE SOLVED BY CONDITIONING EXEMPTION ON THE RECIPIENT'S BEING SUBJECT TO TAX IN HIS HOME COUNTRY. AT A MINIMUM, WE WOULD WANT TO PROVIDE FOR EXCHANGES OF INFORMATION. ALTHOUGH WE SEE DIFFICULTIES IN A MULTI-LATERAL APPROACH, THE UNITED STATES IS WILLING

TO SUPPORT THE PROPOSAL TO CONVENE A COMMITTEE OF EXPERTS
MEETING AND SHOULD PARTICIPATE FULLY IN ANY SUCH MEETINGS.
KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 18 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: shawdg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE230264
Document Source: CORE
Document Unique ID: 00
Drafter: DVLABRIE:JS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740297-0996
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741034/aaaabcnq.tel
Line Count: 118
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 30 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 APR 2002 by boyleja>; APPROVED <19 MAR 2003 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: U.S. POSITION ON AGENDA ITEM 6.1 FOR 18TH UNESCO GENERAL CONFERENCE - OCTOBER 17-NOVEMBER 22, 1974
TAGS: EIND, OCON
To: PARIS
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005